

SHB 3120 - S COMM AMD

By Committee on Ways & Means

ADOPTED 03/07/2008

1 Strike everything after the enacting clause and insert the  
2 following:

3 "NEW SECTION. **Sec. 1.** (1)(a) The legislature finds that green  
4 building, also called "sustainable" or "high-performance" building, has  
5 significant environmental benefits. Buildings consume thirty-six  
6 percent of the energy used in the United States, more than factories  
7 and automobiles, and they generate thirty percent of the nation's  
8 greenhouse gas emissions. The construction of commercial, residential,  
9 public, or institutional buildings using energy-efficient techniques  
10 and environmentally sustainable products also connects to the state's  
11 climate change goals.

12 (b) The legislature further finds that standards for green building  
13 provide an effective framework for green building practices. Some  
14 techniques have been shown to reduce building energy costs by twenty to  
15 fifty percent and water usage by at least fifty percent outdoors and  
16 thirty percent indoors. It is in the interest of the state to  
17 encourage the best green building practices through targeted incentives  
18 and policies.

19 (c) The legislature intends to establish a connection between green  
20 construction and the need for local governments to adopt "green" land  
21 use provisions, permitting standards, and building codes that allow  
22 green building, in order to achieve the most effective climate change  
23 policies.

24 (2) The department of community, trade, and economic development  
25 shall conduct a study to determine the potential feasibility and  
26 effectiveness of providing tax incentives to encourage green building  
27 in commercial, residential, and public buildings. The department of  
28 revenue shall provide any tax-related data necessary for the department  
29 of community, trade, and economic development to perform the study.

1 (3) In conducting the study, the department of community, trade,  
2 and economic development shall:

3 (a) Identify existing tax incentives with the primary purpose of  
4 encouraging green building;

5 (b) Propose tax incentives that would encourage green building,  
6 with special emphasis on sales and use tax exemptions on green building  
7 construction activities and business and occupation tax incentives for  
8 contractors or architects that build or design green buildings;

9 (c) Provide an estimate on the fiscal cost for each tax incentive  
10 identified under (b) of this subsection;

11 (d) Provide an estimate of cost savings and emission reductions for  
12 the estimated number of buildings that would qualify for a tax  
13 incentive identified under (b) of this subsection;

14 (e) Recommend other tax and programmatic policy changes that would  
15 encourage green building;

16 (f) Evaluate whether tax incentives should target communities that  
17 encourage green building; and

18 (g) Evaluate current trends in green building and whether tax  
19 incentives would support these trends.

20 (4) The department of community, trade, and economic development  
21 may include any other information in the study that it deems necessary  
22 for the legislative evaluation of potential tax incentives to encourage  
23 green building.

24 (5) By December 1, 2008, the department of community, trade, and  
25 economic development shall report its findings and recommendations to  
26 the appropriate committees of the legislature."

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27 On page 1, line 2 of the title, after "construction;" strike the  
28 remainder of the title and insert "and creating a new section."

EFFECT: Adds public buildings to the study. Recommendations

include programmatic policy changes, in addition to tax incentives, to encourage green building.

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